Joint Standing Committee on the National Broadband Network

Answers to Questions on Notice

Committee Hearing 4 November 2020

NBN Co Limited

Question No: 4

Division: Joint Standing Committee on the National Broadband Network
Hearing name: Business case for the NBN and the experiences of small businesses
Topic: FTTN overbuild
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Ms Templeman asked:

Ms TEMPLEMAN: Thanks, Senator Farrell. I'm going to switch to fibre to the node and the overbuild of the FTTN areas that you've recently announced. I probably don't need a lot of history on it, and I've certainly seen your comments during estimates, but I just want to understand how the 17 areas that you've already announced were selected?

Mr Rue : No problem. Kathrine, can you take that, please?

Ms Dyer: Sure, absolutely. What we've attempted to do with the initial 100,000 premises, approximately, is to balance them out across the states. As we push fibre deeper in, beyond the node to the premises, just to be clear, we are reutilising the fibre infrastructure that we've already built to the node. So we looked at ways that we could open, for the first 100,000 premises, what we call 'work fronts' with our delivery partners. Thinking about wanting to get a distribution so we can get going over the states—that was the first consideration.

The second consideration was, as part of this whole build, we want to make sure that we're using our scarce capital as efficiently as possible; that's one of the dynamics we look at. What typically drives the impact on capital is things like the availability of the existing pit and pipe, local geographical nuances of the area and the amount of industry capability we have. So that's something we're considering to make sure that we don't cause any throughput issues in the industry as we are starting to push fibre deeper into the network. We also look at where customers may take up the higher-speed plans.

The other element that we look at is where we have—I think there are about 547 local government councils in Australia and I think two-thirds of those have strategic agreements in place with NBN that we've developed over the past 10 years. If you think back to 10 years ago, we would go out and engage with the local council to talk about the construction work that we would be completing, and it was a very new thing. If you fast forward to today, it's more efficient for NBN to engage with those local authorities in a known way. So we put agreements in place of what they can expect from us and how we'll operate. We've also looked at councils that we've had those agreements in place with as well. There's been a number of factors that have informed that first 100,000.

Ms TEMPLEMAN: And was there any input from government about the choice of the final— you must have had quite a few on your possible list to narrow it down to the specifics?

Ms Dyer: No, the instructions I received from our network strategy area was that, literally, it was all down to those elements. My understanding—Mr Rue managed this process—is that after it was defined, and we'd already started working on the designs for those areas as well, Mr Rue notified that these are the areas that we'd be looking at.

Ms TEMPLEMAN: I notice there are a lot of places that start with A, B, C and the odd D, but not a lot that start with R, S, T, U, V, W and the back end of the alphabet. I looked at it and thought, was there a randomness in the final selection? You had a list and you literally just had to choose?

Mr Rue : No, not at all. To answer your question, we developed the list ourselves internally. As part of our normal bimonthly meetings with the department and the minister, we informed department and informed the minister and the minister's office, but it's a list that we developed that we're using. I actually hadn't noticed the fact that we'd used the early parts of the alphabet. To be clear, what Kathrine was saying is that we wanted to select across the country. Secondly, we have selected different delivery partners to do different areas. We've selected some aerial and some not aerial. We're looking for input from the delivery partners as well, as to efficiencies that we could gain over time, and we're also using a 100,000 really as a trial, in terms of questions like: How quickly we can we do this? What sort of different techniques can we use? Ultimately, how are we going to feed in the process to retailers? Ultimately they need to communicate with their customers and that needs to be a process for upgrades where people want to the higher speed. It genuinely is—

Ms TEMPLEMAN: Sure, okay.

Mr Rue: Also urban areas and regional areas. I had not noticed the ABC—

Ms TEMPLEMAN: There you go. Are you able to provide on notice the fibre serving area ID for each initial area being overbuilt with fibre and the original FTTN ready-for-service date?

Mr Rue: Yes, of course we can, although I would say that we'll also relook at the concept of fibre serving area, by the way, in terms of what exchanges we would use going forward. But, of course, we can provide that—no problem at all. I assume you have all that, Kathrine?

Ms Dyer: Sure do. That's no problem.

Mr Rue: We are very happy to do that.

Answer:

The fibre serving areas (FSA) service area module (SAM) IDs for each initial area being overbuilt with fibre and the original fibre-to-the-node (FTTN) ready for service (RFS) dates.

SAM ID	State	RFS
2BLT-02	NSW	20-Nov-15
2BLT-03	NSW	20-Nov-15
2CAS-04	NSW	31-Mar-17
2CAS-20	NSW	6-Jan-17
2CAS-21	NSW	23-Dec-16
2CAS-22	NSW	21-Oct-16
2CAS-23	NSW	6-Jan-17
2CAS-65	NSW	12-Oct-18
2CHL-08	NSW	24-Mar-17
2CRR-20	NSW	19-Jan-18
2CRR-60	NSW	27-Oct-17

2CRR-65	NSW	8-Dec-17
2CRR-66	NSW	7-Sep-18
2CRR-69	NSW	22-Sep-17
2CRR-72	NSW	28-Sep-17
2CRR-73	NSW	9-Jun-17
2HLS-01	NSW	29-Mar-18
2HLS-60	NSW	2-Nov-18
2HLS-61	NSW	15-Dec-17
2LIV-20	NSW	7-Sep-18
2LIV-60	NSW	21-Sep-18
2LIV-66	NSW	31-Aug-18
2LIV-67	NSW	14-Dec-18
2LIV-68	NSW	8-Sep-17
2TRT-20	NSW	22-Feb-19
2TRT-21	NSW	28-Feb-20
2TRT-22	NSW	31-Jan-20
2TRT-23	NSW	28-Feb-20
2TRT-24	NSW	31-Jan-19
2WET-20	NSW	3-Mar-17
2WET-21	NSW	17-Mar-17
2WET-22	NSW	17-Mar-17
2WET-23	NSW	17-Mar-17
2WET-65	NSW	3-Nov-17
3LYN-20	VIC	2-Jun-17
3LYN-21	VIC	18-Aug-17
3LYN-22	VIC	18-Aug-17
3NAW-01	VIC	28-Jul-17
3NAW-21	VIC	30-Jun-17
4AAR-20	QLD	29-Dec-17
4AAR-60	QLD	25-Jan-19
4BNP-20	QLD	15-Sep-17
4BNP-64	QLD	27-Sep-18
4EMP-20	QLD	29-Mar-19
4OXE-01	QLD	28-Apr-17
4OXE-02	QLD	21-Apr-17
4OXE-20	QLD	28-Jul-17
4OXE-21	QLD	19-May-17
4OXE-61	QLD	17-Aug-18
5OSB-22	SA	28-Apr-17
5OSB-23	SA	5-May-17
6CAN-04	WA	15-Apr-16
6DBL-01	WA	29-Apr-16
6DBL-02	WA	29-Apr-16
6DBL-05	WA	17-Jun-16
6DBL-06	WA	24-Jun-16